

NEW HAMPSHIRE CODE OF ADMINISTRATIVE RULES

Chapter: 500

These rules are published in loose leaf form in order that they may be amended as frequently as necessary. If you wish to receive updating supplement pages, you must fill out this form and return it as indicated below. In this way you will automatically be added to the agency's list of permanent subscribers for this set of rules.

Name_____

Street Address_____

P. O. Box_____

City/Town_____

State_____ Zip_____

Send this sheet to:

Paralegal, Legal Department
New Hampshire Public Utilities Commission
8 Old Suncook Road
Concord, NH 03301-7319

TABLE OF CONTENTS

CHAPTER Puc 500 RULES FOR GAS SERVICE

PART Puc 501 APPLICATION OF RULES

Section Puc 501.01 Application of Rules

PART Puc 502 DEFINITIONS

Section Puc 502.01 Commission
Section Puc 502.02 Cubic Foot
Section Puc 502.03 Economic Conservation
Section Puc 502.04 Fast
Section Puc 502.05 Gas
Section Puc 502.06 LNG
Section Puc 502.07 LPG
Section Puc 502.08 Peak Shaving
Section Puc 502.09 Meter
Section Puc 502.10 Slow
Section Puc 502.11 Standard Gravitational Force
Section Puc 502.12 Total Heating Valve
Section Puc 502.13 Utility

PART Puc 503 SERVICE PROVISIONS

Section Puc 503.01 Filing of Tariffs
Section Puc 503.02 Measurement of Services
Section Puc 503.03 Meter Reading
Section Puc 503.04 Change in Character of Service

PART Puc 504 QUALITY OF GAS SERVICE

Section Puc 504.01 Heating Value Requirements
Section Puc 504.02 Purity Requirements
Section Puc 504.03 Pressure Requirements
Section Puc 504.04 Interruptions of Service
Section Puc 504.05 Emergency Notification
Section Puc 504.06 Incident Reporting

PART Puc 505 METER ACCURACY AND TESTING

Section Puc 505.01 Meter Installations
Section Puc 505.02 Inspection of Meters
Section Puc 505.03 Test and Calibration of Meters
Section Puc 505.04 Test Schedule for Gas Meters
Section Puc 505.05 Customer's Bill Adjustments
Section Puc 505.06 Testing Facilities and Equipment

PART Puc 506 EQUIPMENT AND FACILITIES

Section Puc 506.01 Pipeline Safety Standards
Section Puc 506.02 Construction and Maintenance
Section Puc 506.03 On-site Storage
Section Puc 506.04 Underground Utility Damage Prevention Program

PART Puc 507 RECORDS, REPORTS AND ACCOUNTING REQUIREMENTS

Section Puc 507.01 Station Records
Section Puc 507.02 Gas Supply Measurement
Section Puc 507.03 System Maps
Section Puc 507.04 Meter Records
Section Puc 507.05 Preservation of Records
Section Puc 507.06 Reports to Commission
Section Puc 507.07 Uniform System of Accounts
Section Puc 507.08 Short Term Debt

NEW HAMPSHIRE CODE OF ADMINISTRATIVE RULES

PART Puc 508 SAFETY, ACCIDENT AND LEAKAGE REQUIREMENTS

- Section Puc 508.01 Safety Instructions
- Section Puc 508.02 Resuscitation
- Section Puc 508.03 Accidents
- Section Puc 508.04 Leakage Surveys and Inspections
- Section Puc 508.05 Leakage Record-Keeping and Reporting

PART Puc 509 FORMS REQUIRED TO BE FILED BY ALL UTILITIES

- Section Puc 509.01 F-1C Quarterly Statement of Operations
- Section Puc 509.02 F-2 Disposition of Proceeds from Sale of Securities
- Section Puc 509.03 Form F-3 Statement of Pro Forma Income Statement at Present and Proposed Rates for Year Ended
- Section Puc 509.04 F-4 Petition For Authority to Issue Securities
- Section Puc 509.05 F-16 Annual Report
- Section Puc 509.06 F-8G Monthly Income Statement
- Section Puc 509.07 Form F-22 Information Sheet
- Section Puc 509.08 E-5 Utility Accident Report
- Section Puc 509.09 E-6 Heating Value and Purity Report
- Section Puc 509.10 Form E-7 Annual Report of Gas Meter Tests
- Section Puc 509.11 E-8 Report of Pressure Complaints
- Section Puc 509.12 E-20-A A Report of Changes in Fixed Capital
- Section Puc 509.13 Form E-22 Report of Proposed Expenditures for Additions, Extensions and Capital Improvements to Fixed Capital
- Section Puc 509.14 E-23 Report of Interruptions of Service
- Section Puc 509.15 E-24 Report of Gas Meter Complaint Test
- Section Puc 509.16 Form E-25 Report of Proposed Changes in Depreciation Rates
- Section Puc 509.17 Status of Leaks
- Section Puc 509.18 Annual Peak Shaving Fuel Storage Capability Report
- Section Puc 509.19 Weekly Gas Storage Report

PART Puc 510 UTILITY ADVERTISING

- Section Puc 510.01 Definitions
- Section Puc 510.02 Recovery of Certain Expenses Prohibited
- Section Puc 510.03 Exempted Expenditures
- Section Puc 510.04 Continuing Jurisdiction
- Section Puc 510.05 Reports Required
- Section Puc 510.06 Accounting

Puc 511 ENFORCEMENT PROCEDURES FOR GAS PIPELINE UTILITIES

- Section Puc 511.01 Jurisdiction Scope and Application of Authority
- Section Puc 511.02 Intervals of Inspection
- Section Puc 511.03 Inspection of Utilities
- Section Puc 511.05 Verbal Notice to Utility of Probable Violation
- Section Puc 511.06 Written Formal Notice of Probable Violation
- Section Puc 511.07 Response Options Open to Utility
- Section Puc 511.08 Informal Conference in Response to Puc 511.07
- Section Puc 511.09 Commission Action
- Section Puc 511.10 Civil Penalty

CHAPTER Puc 500 RULES FOR GAS SERVICE

REVISION NOTE:

Document #6445, effective 1-28-97, made extensive changes to the wording and numbering of rules in Chapter Puc 500. Document #6445 supersedes all prior filings for the sections in this chapter. The prior filings for former Chapter Puc 500 include the following documents:

#2011, eff 5-4-82
#2283, eff 1-18-83
#2338, eff 4-11-83
#2418, eff 7-10-83
#2549, eff 12-26-83
#2912, eff 11-26-84
#3131, eff 10-3-85
#5001, eff 11-26-90
#5717, eff 10-7-93
#6381, INTERIM, eff 11-27-96, EXPIRES: 3-27-97

PART Puc 501 APPLICATION OF RULES

Puc 501.01 Application of Rules.

(a) These rules shall apply to all utilities engaged in the business of manufacturing, distributing, selling or transmitting gas in the state of New Hampshire.

(b) The owner or operator of a natural gas pipeline facility regulated by the Federal Energy Regulatory Commission pursuant to the Natural Gas Act, 15 U.S.C. § 717, et seq., shall, with respect to any such pipeline facility located or to be located in New Hampshire, file with the commission:

(1) Annually, on or before April 30 of each year, a signed original of the Federal Energy Regulatory Commission annual report form, form number 2, pertaining to such facility; and

(2) Concurrently upon its filing with the Federal Energy Regulatory Commission, a copy of any application for a certification of public convenience and necessity under the Natural Gas Act, 15 U.S.C. § 717f(c), with respect to any pipeline facility of such owner or operator proposed to be located in New Hampshire.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

PART Puc 502 DEFINITIONS

Puc 502.01 "Commission" means the New Hampshire public utilities commission.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 502.02 "Cubic foot" means, for the purpose of measurement of gas to a customer, the amount of gas which occupies a volume of one cubic foot under the conditions existing in the customer's meter as and where installed, provided such meter is not subject to abnormal temperature conditions unless the meter is designed with temperature compensation.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 502.03 "Economic conservation" means conservation activities that cost less to implement than the value of the resources saved.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 502.04 "Fast" means greater than plus 2% accuracy.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 502.05 "Gas" means any manufactured or natural gas or any combination thereof.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 502.06 "LNG" means liquefied natural gas.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 502.07 "LPG" means liquefied petroleum gas.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 502.08 "Peak Shaving" means the use of fuels and equipment to generate or manufacture gas to supplement the normal supply of pipeline gas during periods of extremely high demand.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 502.09 "Meter" means a device which measures gas flow and which may include a gas diaphragm type, a rotary positive displacement type or an inferential turbine type.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 502.10 "Slow" means greater than minus 2% accuracy.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 502.11 "Standard gravitational force" means acceleration at 980.665 centimeters per second.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 502.12 "Total heating value" means the number of British thermal units (Btu) produced by the combustion, at constant pressure, of the amount of gas which would occupy a volume of one cubic foot at a temperature of 60 degrees Fahrenheit and under standard gravitational force with air of the same temperature and pressure as the gas, when the products of combustion are cooled to the initial temperature of the gas and air, and when the water formed by combustion is condensed to the liquid state.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 502.13 "Utility" means any "public utility" as defined in RSA 362:2

engaged in the manufacture, distribution, sale, transmission or transportation of gas in the state.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

PART Puc 503 SERVICE PROVISIONS

Puc 503.01 Filing of Tariffs. No utility shall render service until a complete tariff, containing terms and conditions and rate schedules, shall have been published and filed with the commission in accordance with Puc 1600.

Source. (See Revision Note at Chapter heading Puc 500) #6445, eff 1-28-97

Puc 503.02 Measurement of Services. A utility shall charge for all gas sold or transported on a metered basis.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 503.03 Meter Reading.

(a) Each service meter of the displacement type shall indicate clearly the cubic feet of gas registered.

(b) When gas is measured under high pressure or when the quantity is determined by calculation from recording devices, the utility shall supply the customer with the information needed to make clear the method by which the quantity is determined.

(c) All meter constants shall be plainly marked on the face of the meter.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 503.04 Change in Character of Service.

(a) A utility shall provide certain services to its customers when service conditions such as change in pressure or composition of the gas affect or would affect efficiency of operation or adjustment of appliances .

(b) When any change occurs as described in (a) above, a utility shall, without undue delay and without charge, inspect the appliances of its customers and, if necessary, readjust those appliances for the new conditions.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

PART Puc 504 QUALITY OF GAS SERVICE

Puc 504.01 Heating Value Requirements.

(a) Each utility shall establish its own standard heating value for the gas it furnishes the public. At no time shall the daily average heating value be less than the established standard. The standard adopted by the utility shall be stated in its tariff.

(b) Each utility shall, unless it obtains a waiver pursuant to Puc 201.05, maintain equipment for measuring thermal content as follows:

(1) Each utility shall maintain a standard calorimeter outfit or gas

chromatograph for the regular determination of the heating value of gas sold; and

(2) Each utility shall use the manufacturer's recommended procedures as a basis for:

a. Maintaining the accuracy of all calorimeters and gas chromatographs; and

b. The method of measuring heating value tests.

(c) The total heating value of the gas shall be determined at least once daily and more often as is necessary to obtain an accurate record of the average heating value and of the fluctuation in heating value.

(d) To obtain the monthly average heating value the results of all tests of heating value made on any day during the calendar month shall be averaged, and the average of all daily averages shall be taken as a monthly average.

(e) If a utility's calorimeter or gas chromatograph is of the recording type, its record shall be used in determining the average heating value provided that the recording calorimeter or gas chromatograph is checked at least annually.

(f) Heating value reports shall be made to the commission on Form E-6 once a month pursuant to Puc 509.09.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 504.02 Purity Requirements. All gas distributed in New Hampshire shall contain not more than 20 grains of total sulphur per 100 cubic feet nor more than one grain of hydrogen sulphide per 100 cubic feet.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 504.03 Pressure Requirements.

(a) The pressure at the outlet of any customer's service meter shall never be:

(1) Less than 4 inches of water column; or

(2) Greater than 13.8 inches of water column, except by written agreement with the customer.

(b) In order to maintain records of pressure, each utility shall maintain in continuous operation a sufficient number of pressure recording devices in each area where the utility maintains a distribution system.

(c) All pressure records obtained under paragraphs (a) or (b) above shall be retained by the utility for at least 2 years and shall be available for inspection by the commission or by its representative.

(d) Each utility shall make reports of pressure complaints monthly to the commission on Form E-8 pursuant to Puc 509.11.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 504.04 Interruptions of Service.

(a) Each utility shall use all practicable means to avoid interruptions to service, including maintaining appropriate levels of maintenance and planning for unexpected events.

(b) Should interruptions occur, a utility shall reestablish service within the shortest time practicable, consistent with safety.

(c) Each utility shall keep a record of all interruptions to service.

(d) Each utility shall include in its record of service interruptions the following:

- (1) The date and time of interruption;
- (2) The approximate number of customers affected;
- (3) The date and time of service restoration;
- (4) The cause of such interruption when known; and
- (5) A description of steps taken to prevent its recurrence.

(e) Each utility shall provide emergency notification to the commission of service interruptions as provided in Puc 504.05(a)(5).

(f) Each utility shall report to the commission all service interruptions on Form E-23, pursuant to Puc 509.14, once a month, if any interruption occurs.

(g) When service is interrupted to perform work on lines or equipment, such work shall be done at a time causing minimum inconvenience to customers consistent with the circumstances.

(h) Customers seriously affected by interruption to service to perform work on lines or equipment shall be notified in advance, if practicable.

(i) A utility shall provide actual notice of a planned service interruption to any customer of which it has notice whose service will be interrupted who would encounter a potentially life-threatening situation as a result of a service interruption of the type planned.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 504.05 Emergency Notification.

(a) The utility shall notify the safety division of the commission by telephone when any of the following occur:

(1) A release of gas from a pipeline, release of LNG or LPG or release of gas from a LNG or LPG facility that results in:

- a. A death;
- b. Personal injury necessitating in-patient hospitalization; or
- c. Estimated property damage of \$5,000 or more;

(2) A fire or an explosion at, or emergency shutdown of, a liquefied

natural gas facility, or propane-air facility;

(3) An evacuation of a building conducted by a fire department, utility or other emergency personnel because of the presence of gas in the atmosphere or in, or in the immediate vicinity of, the building;

(4) An unplanned service interruption or gas outage that is expected to result in 50 or more customer outage hours;

(5) A single outage occurring at a state, federal, or municipal facility, hospital, school or other facility in which the public could be affected; or

(6) An event which is significant in the judgment of the utility, even though it is not described above.

(b) A utility shall not be required to determine or document the presence or involvement of gas in any incident or event before notifying the commission.

(c) The telephone notification shall be made promptly, but no more than two hours following discovery of the incident by the utility.

(d) The utility shall provide to the commission representative who responds to the call the following information:

(1) Identity of reporting utility;

(2) Name, title, and location of the person reporting the incident;

(3) Location of the incident including street, address and city or town;

(4) Number of known or estimated fatalities and personal injuries, if any;

(5) Type and extent of known or estimated property damage;

(6) Description of the incident or event including any significant facts known by the utility that relate to the cause and resolution of the problem;

(7) Date and hour the incident occurred and was discovered by the utility and, to the extent known, by any other party;

(8) For a service interruption, gas outage, or evacuation of a building, the estimated or known number of people and/or customers affected and the estimated or actual duration of the outage; and

(9) When the Office of Pipeline Safety of the United States Department of Transportation was, or will be, notified of the incident, if applicable.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 504.06 Incident Reporting.

(a) In addition to the emergency notification required in Puc 504.05, a utility shall also report in writing to the commission any event occurring in connection with its facilities and services, as follows:

(1) A utility shall report to the commission within 20 days following discovery, any incident which the utility shall be required to report to the federal Office of Pipeline Safety pursuant to 49 C.F.R. 191.9, which report shall be made to the commission on federal Department of Transportation form RSPA F 7100:1, which is entitled, "Incident Report-Gas Distribution System";

(2) A utility shall report each month, pursuant to Puc 509.17, the status of any leaks occurring in its gas distribution system; and

(3) A utility shall report to the commission any accident involving injury to a person or damage to property as provided in Puc 508.03.

(b) A utility shall file any report required pursuant to (a)(1) above in addition to any report required pursuant to (a)(2) and/or (a)(3) above.

(c) When additional relevant information is obtained after a report under this section is submitted, the utility shall make a supplementary report to the commission conveying this information.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

PART Puc 505 METER ACCURACY AND TESTING

Puc 505.01 Meter Installations.

(a) Unless it obtains a waiver from the commission pursuant to Puc 201.05, each utility shall provide and install at its own expense and shall continue to own, maintain and operate, all equipment necessary for the regulation and measurement of gas to its customers.

(b) When additional meters or increased pressures at the meter outlet, exceeding those required by Puc 504.03, are furnished by the utility at the request of a customer, a charge for such meters, equipment and the labor to install them may be made to the customer consistent with existing retail rates.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 505.02 Inspection of Meters.

(a) All new meters shall be inspected for measurement accuracy before being installed on a customer's premise.

(b) All meters removed from service which are to be reinstalled shall be:

(1) Inspected for measurement accuracy; and

(2) Repaired by replacing worn or damaged parts.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 505.03 Test and Calibration of Meters.

(a) Every gas service meter, whether new or repaired, or which has been removed from service for any cause, shall be tested and shall be correct to within 2 percent as determined in section (b) before being installed.

(b) For the purpose of determining compliance with (a) above, the

registration of a displacement meter shall be determined by one test at a rate of flow between 1/5 to 1/4 of the rated capacity of that meter and one test at a rate of flow of approximately the rated capacity of the meter.

(c) The tests referred to in (b) above at the 2 rates shall agree within one percent.

(d) The accuracy of the meter at the lower rate of flow shall be considered as its accuracy in determining compliance with section (a) of this rule and for the purpose of computing refunds.

(e) All tests to determine the accuracy of any gas meter shall be made with a meter prover, unless, because of the unusual capacity or construction of the meter, such method of test shall be considered impractical and another method of test shall have been approved by the commission pursuant to Puc 201.05.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 505.04 Test Schedule for Gas Meters.

(a) All new gas meters shall be tested and calibrated before being put into service.

(b) The utility shall not be required to report new gas meter tests to the commission, nor shall these tests be considered as periodic tests of meters in service.

(c) All gas meters in service shall be tested, and recalibrated within the prescribed tolerances as necessary, in accordance with the following schedule:

(1) All meters having a rated full load capacity of 250 cubic feet per hour or less shall be tested at least once in every 10 years; and

(2) All meters having a rated full load capacity of more than 250 cubic feet per hour shall be tested at least once in every 4 years.

(d) All meters removed from service and not due for periodic test shall be tested before being put back in service.

(e) When a customer requests a test of its meter, a utility shall follow the following procedures:

(1) The utility shall test the accuracy of the customer's meter within 15 days from the time the request is made;

(2) If the meter has been tested at no charge during the preceding 6 months, a utility may require the deposit of a fee in an amount as specified in the utility's current tariff for such a test;

(3) If on testing the meter is found to be in error by more than 2%, the deposit shall be promptly refunded;

(4) If the meter is not found to be in error by as much as 2%, the utility may retain the amount deposited for the test;

(5) A customer may be represented in person or by an agent when the utility conducts the test of his meter; and

(6) The utility shall provide to the customer within 30 days after completion of the test a report giving:

- a. The name of the customer requesting the test;
- b. The date of the request;
- c. The location, the type, make, size, the serial number of the meter;
- d. The date tested; and
- e. The result of the test.

(f) When a customer makes written application to the commission for testing of a meter, sometimes called referee testing, the following shall occur:

(1) The commission staff or a representative appointed by the staff shall conduct a test of the meter or shall arrange to have the meter tested in their presence, as soon as practicable;

(2) Each application to the commission for test of a meter shall be accompanied by a fee of \$5 which shall be retained by the commission;

(3) If upon testing the meter is found to be in error by more than 2%, the utility shall repay to the customer the amount of the fee paid by the customer to the commission; and

(4) The utility, when notified of a customer application for a referee test as herein provided, shall not knowingly remove, interfere with, or adjust the meter to be tested without the written consent of the customer and approval of the commission pursuant to Puc 201.05.

(g) Reports of periodic tests of meters shall be submitted to the commission on a Form E-7, pursuant to Puc 509.16, once a year. Reports of requests for tests shall be submitted to the commission on Form E-24, which is described at Puc 509.13, once a month.

(h) The utility shall retain a complete record of the last test made on a meter.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 505.05 Customer's Bill Adjustments.

(a) In meter tests made by the commission or by the utility at the request of a customer in accordance with Puc 505.04, the correctness of registration of the meter and its performance in service shall be judged in accordance with Puc 505.03.

(b) Whenever as the result of a test made by a utility or the commission at the request of a customer, a gas meter is found to register fast, the company shall refund to the customer according to the following:

(1) If the time when the error first developed or occurred can be definitely fixed, the refund amount shall be based on the period of error and the amount of error established by the test; and

(2) If the time when the error first developed or occurred cannot be definitely fixed, the refund amount shall be based on the greater of the following:

- a. An amount equal to the charge for the excess gas billed for the

previous 12 months; or

b. If a test has been made on the meter within the previous 24 months, an amount equal to the charge for the excess gas billed for a period equal to 1/2 of the time elapsed since the past previous test.

(c) Whenever as the result of a test made by the utility or the commission at the request of the customer, a gas meter is found to register slow, the company may make a charge to the customer for the unbilled gas supplied for the previous 6 months or since the last test, whichever is the shorter period; and

(d) If a meter is found which does not register, the bill for the period of non-registration shall be based upon information recorded prior or subsequent to the period of nonregistration and on any other pertinent information supplied by the customer or known to the utility.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 505.06 Testing Facilities and Equipment.

(a) Each utility shall maintain the equipment and facilities necessary for accurately testing all types and sizes of meters employed for the measurement of gas to its customers, unless arrangements approved by the commission, pursuant to Puc 201.05, shall have been made to have such testing done elsewhere.

(b) Each utility shall provide and maintain a meter prover of approved type and of a capacity of not less than 5 cubic feet for the testing of the most numerous class of customers' meters.

(c) Each meter prover shall be supplied with accessories needed for accurate meter testing and shall be located in a room suitable for the work to be done, as recommended by the manufacturer of the meter prover equipment.

(d) The utility shall maintain this equipment in good condition and correct adjustment so that it can determine the accuracy of any gas meter to within 1/2 of one percent.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

PART Puc 506 EQUIPMENT AND FACILITIES

Puc 506.01 Pipeline Safety Standards.

(a) All utilities shall comply with those pipeline safety regulations established by the United States Department of Transportation which are set forth in 49 C.F.R. Parts 191, 192, 193, 198 and 199, including future amendments thereto.

(b) Where Puc 500 and/or Puc 800 establish more stringent requirements than those pipeline safety regulations adopted pursuant to (a) above, the more stringent requirement set forth in Puc 500 and/or Puc 800 shall apply.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 506.02 Construction and Maintenance.

(a) Except as established herein or by municipal regulations within their jurisdiction which are more stringent than the state or federal requirement, each utility shall construct, install, operate and maintain its plant, structures, equipment and gas pipe lines:

(1) In accordance with all applicable federal and state requirements, including but not limited to the requirements of the "Utilities Accommodation Manual" of the New Hampshire state department of transportation which establishes uniform practice regarding the accommodation of utilities within state highway rights-of-way;

(2) After weighing all factors, including potential delay, cost and safety issues, in such a manner to best accommodate the public; and

(3) To prevent interference with service furnished by other utilities including electric, telephone, water, sewer, steam and other underground or above ground facilities.

(b) Gas pipelines which are to be operated at a pressure of 200 pounds or more per square inch gauge shall not, except with approval of the commission pursuant to Puc 201.05, be installed within 40 feet of buildings intended for human occupancy which were in existence prior to, or were actually under construction at:

(1) The date of acquisition of title to the right-of-way or property held by such pipeline company;

(2) The date of filing of route maps under RSA 371:15; and

(3) The date of filing of route maps with the commission, with legal notice to any affected landowner.

(c) Gas pipelines which are to be operated at a pressure of 200 pounds or more per square inch gauge shall not, except with approval of the commission pursuant to Puc 201.05, be installed under roads or railroad crossings.

(d) Pipelines subject to an internal pressure of 100 pounds or more per square inch gauge shall be laid at least 12 inches away from any other underground structure.

(e) The utility shall avoid any interfering structure which provides a space in which a substantial accumulation of explosive mixture might accumulate in the event of a leak and preference shall be given to crossing over rather than under such structure after weighing all factors, including potential cost, delay and safety issues.

(f) Each utility shall design and install all electrical wire fixtures and devices in accordance with the National Electrical Code, adopted May 25, 1995, and shall meet the requirements thereof for Class I locations.

(g) All meter and regulator station buildings shall be provided with permanent natural draft ventilating devices sufficient to accomplish an average of 5 changes of air per hour.

(h) Each utility shall comply with the requirements for purging pipelines established by the Purging Principles and Practice, 1990 edition, of the American Gas Association.

(i) All inside gas services not falling within the category of those requiring a curb shut-off shall have a stopper inserted outside the cellar wall whenever service has been discontinued for a period in excess of 12

consecutive months.

(j) All combustible gases transported or distributed by a pipeline shall have a distinctive odor of sufficient intensity so that a concentration of one percent of gas in the air is readily perceptible to the normal or average olfactory sense of a person coming from fresh, uncontaminated air into a closed room containing one part of gas in 99 parts of air.

(k) Whenever necessary to maintain the level of odorization intensity described in (j) above, a suitable odorant shall be added in accordance with the following specifications:

(1) The odorant shall be harmless to humans, non-toxic, and shall be non-corrosive to steel, iron, brass, and leather;

(2) The odorant shall not be soluble in water to an extent greater than 2.5 parts by weight of the odorant to 100 parts by weight of water;

(3) The products of combustion from the odorant shall be non-toxic to a person breathing air containing these products of combustion and shall not be corrosive or harmful to material which normally would be exposed to such products;

(4) Equipment for introduction of the odorant into the gas shall be so designed and so built as to avoid wide variation in the level of odor in the gas; and

(5) The equipment and facilities for handling the odorant shall be located where the escape of odorant would not be a nuisance.

(l) Upon completion of any gas pipeline to be operated at 100 pounds per square inch gauge (psig) or more, the operating utility shall file with the commission a U. S. Geological Survey map of at least the scale of 1:62500, which is the equivalent of approximately one inch to the mile, showing the following:

(1) The pipeline superimposed upon it;

(2) The size of the pipe, valve, locations, and regulator stations; and

(3) When a heavy concentration of facilities in a small area limits disclosure of full information, a blow-up of the area shall be furnished.

(m) The utility shall certify in writing to the commission that the pipeline has been constructed and tested in accordance with all applicable federal and state requirements.

(n) The certification required in (m) above shall include, at a minimum, the following information:

(1) Test pressure;

(2) Duration of test;

(3) Test date;

(4) Type of test, such as hydrostatic/air; and

(5) Normal and maximum operating pressure to which the pipeline will be subjected.

(o) The utility shall submit to the commission a supplemental certification, including figures and maps, as appropriate, whenever:

(1) Significant change is made in the operating pressure; or

(2) Any change in location is made to the pipeline because of road relocations or other causes significant change is made in the operating pressure.

(p) Operating and maintenance procedures shall be documented according to a plan as follows:

(1) Each utility shall establish a written operating and maintenance plan pursuant to 49 C.F.R. 192.603 which shall include the criteria set forth in 49 C.F.R. 192.605;

(2) Each utility shall file with the commission its plan together with any subsequent amendments to the plan; and

(3) Each utility shall operate, inspect and maintain its system in accordance with its plan.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 506.03 On-site Storage.

(a) Each utility shall maintain an on-site storage capability in connection with the operation of its gas distribution system between December 1 and February 14 of each year which will provide peak-shaving supplies for an estimated maximum-design cold period of 7 consecutive days.

(b) Railway tank cars on gas company rail sites and guaranteed pipeline transmission capacity for firm gas supply shall be considered as on-site storage.

(c) A utility may count as on-site storage 70% of the guaranteed daily delivery capability over a 5 day period from a dependable bulk fuel supply point any situation in which the utility:

(1) Owns or leases tank trucks;

(2) Has a fuel supply purchase contract; or

(3) Has a dedicated service contract;

(d) Between February 15 and February 28, the above minimum on-site storage capacity may be reduced to 75% of the total requirement of each utility.

(e) Between March 1 and March 31, the minimum on-site storage capacity may be reduced to 50% of the original total requirement.

(f) Each utility shall notify the commission's gas safety engineer each week during the period from December 1 through April 1 of its on-site supply of supplemental fuel.

(g) The information required by (e) above shall be reported on each Monday, or the next day following a state holiday, no later than 4 p.m. and

may be made by telephone.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 506.04 Underground Utility Damage Prevention Program. All utilities shall comply with Puc 800.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

PART Puc 507 RECORDS, REPORTS AND ACCOUNTING REQUIREMENTS

Puc 507.01 Station Records. Each utility shall keep records of the operation of its plant to show the characteristics and performance of each unit.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 507.02 Gas Supply Measurement.

(a) Each utility shall install a suitable measuring device or otherwise determine production at each source of supply in order that a record may be maintained of the quantity of gas produced at each source.

(b) Unless sufficient information is furnished by the utility supplying the gas, each utility purchasing gas shall maintain adequate instruments and meters to obtain complete information as to such purchases.

(c) At least once each month the utility shall determine the quantity of gas produced or purchased from each source of supply.

(d) The utility shall record and transmit to the commission its 12 month totals of gas supply by sources as part of its annual report to the commission.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 507.03 System Maps. Each utility shall have on file at its principal office located within the state a map, maps or drawings showing the following:

(a) Size, character and location of mains, including valves;

(b) Size and location of each service line, where practicable, provided that in lieu of showing service locations on maps, a card record or other suitable means may be used; and

(c) Layout of all principal metering and regulator stations and production plants to show size, location and character of all major equipment, pipe lines, connections, valves and other equipment used.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 507.04 Meter Records.

(a) Each utility shall keep numerically arranged and classified records giving for each meter owned and used by the utility for any purpose, the following:

- (1) Identification number;
- (2) Date of purchase;
- (3) Name of manufacturer, serial number, type and rating; and
- (4) Information on each customer on whose premises the meter has been in service, including:
 - a. Name and address; and
 - b. Date of installation and removal.

(b) The records required by (a) above shall be maintained in a manner such that the date of the last test is readily ascertainable.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 507.05 Preservation of Records.

(a) All records required by these rules shall be preserved by the utility for a period of 2 years unless otherwise designated by the commission's rules governing the preservation of records, including but not limited to Puc 507.07(b).

(b) The utility shall make such records available to the commission or its staff upon request at the utility's office designated by the commission located in the state of New Hampshire.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 507.06 Reports to Commission.

(a) The utility shall furnish to the commission the results of any required tests and summaries of any required records pursuant to RSA 374:15.

(b) The utility shall also furnish the commission with any information concerning the utility's facilities or operations relating to determining rates or judging the practices of the utility pursuant to RSA 378:1.

(c) Each utility shall file periodic reports with the commission as provided in Puc 509 on forms described in Puc 509 which shall be furnished by the commission upon request.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 507.07 Uniform System of Accounts.

(a) Each utility shall maintain its accounts and records in conformity with the "Uniform Classification of Accounts for Gas Utilities" established and issued by the commission as a uniform system of accounts pursuant to RSA 374:8.

(b) Each utility shall keep and preserve all accounts and records as provided in the National Association of Regulatory Utility Commissioners' "Regulation to Govern the Preservation of Records of Electric, Gas and Water Utilities Regulation", governing the preservation of records of gas utilities, which is established by the commission as part of its uniform system of

accounts pursuant to RSA 374:8.

Source. (See Revision Notes at Chapter heading for Puc 500 and below) #6445, eff 1-28-97

New. (See Revision Note below) #6512, eff 5-21-97 (formerly Puc 409)

REVISION NOTE:

Pursuant to RSA 374:8, II and RSA 541:21, I(q), as amended effective 7-23-94 by 1994, 193:3 and 193:4, the uniform system of accounts (USOA) for regulated utilities as referenced in Puc 507.07 is exempt from the rulemaking requirements of RSA 541-A. The text of the USOA, Document #6623, is not included in Puc 507.07 above because the publication requirement for rules in RSA 541-A:15, I does not apply.

By Order No. 21,310 dated August 8, 1994, the New Hampshire Public Utilities Commission (Commission) ordered, because of 1994, 193, that the USOAs, including the USOA for gas utilities, "shall remain in effect until such time as the Commission shall prescribe, amend, rescind or otherwise affect the USOAs currently prescribed for regulated utilities".

The Commission must still file in the Office of Legislative Services a copy of all USOA rules adopted, amended or repealed under RSA 374:8. The text of the USOA for gas utilities subject to Order No. 21,310 was last filed in Document # 6623.

A copy of the USOA as referenced in Puc 507.07 may be obtained at the New Hampshire Public Utilities Commission, 8 Old Suncook Road, Concord, New Hampshire 03301.

Puc 507.08 Short Term Debt. No utility shall issue or renew any notes, bonds or other evidence of indebtedness payable less than 12 months after the date thereof if said short term debt exceeds 10% of the utility's net fixed plant without prior commission approval pursuant to Puc 201.05.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

PART Puc 508 SAFETY, ACCIDENT AND LEAKAGE REQUIREMENTS

Puc 508.01 Safety Instructions.

(a) Each utility shall adopt comprehensive instructions for the safety of employees in the operation, construction or maintenance of its plant and facilities.

(b) Each utility shall institute practices and programs to ensure that its employees have been properly informed of safe practices and are cognizant of all hazards involved.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 508.02 Resuscitation.

(a) Each utility periodically shall instruct its employees engaged in electrical work, including but not limited to those employees who work on all live electric conductors and equipment, in accepted safety procedures for

resuscitation from electrical shock.

(b) The utility shall instruct all employees engaged in work on gas mains or equipment in the procedure to be followed in cases involving asphyxiation or gas poisoning.

(c) The utility shall furnish copies of the relevant safety procedures to each such employee.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 508.03 Accidents.

(a) Each utility shall notify the commission of any accident, as described in Puc 504.05(a)(1), pursuant to Puc 504.05.

(b) A utility shall submit a written report to the commission on form E-5, "NHPUC Accident Form", pursuant to Puc 509.08, within 10 working days following the occurrence of any accident involving a release of gas from a pipeline, a release of LNG or LPG or a release of gas from a LNG or LPG facility in which:

(1) Any person shall have been killed;

(2) Any person shall have received an injury which requires in-patient hospitalization;

(3) Any person shall receive an injury which incapacitates that person from active work for a total of 6 days or more during the 10 days immediately following the accident; or

(4) Any property damage over \$5,000 in amount shall have been caused.

(c) If any event later occurs in connection with an accident which renders an accident reportable under this section or significantly changes the circumstances of a report previously submitted, the utility shall submit a new or updated report, as appropriate.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 508.04 Leakage Surveys and Inspections.

(a) "Business districts" means the principle business areas in the urban portion of a community.

(b) The presence of certain factors shall indicate the presence of a business district, as follows:

(1) The general public regularly congregates in this area for economic, industrial, religious, educational, health or recreational purposes;

(2) The majority of the buildings on either side of the street are utilized for commercial, industrial, religious, educational, health or recreational purposes;

(3) Gas facilities are under continuous paving that extends either from the center line of the thoroughfare to the building wall or from the gas main to the building wall; and

(4) Other locations or sites in the urban portion of a community which contain a similar density and/or mix of buildings and services as provided in (1) through (3) above.

(c) Each utility shall:

(1) Provide for periodic leakage surveys in its operating and maintenance plan; and

(2) Conduct periodic leakage surveys.

(d) The type and scope of the leakage control program shall be determined by the nature of the operations, such as liquid petroleum distribution systems, natural gas distribution systems, and the local conditions but it shall meet the minimum requirements set forth in this section.

(e) Each utility shall conduct a gas detector survey at least once each year during the period from March 1 to December 1 in business districts.

(f) A gas detector survey in a business district shall include tests of the atmosphere at the following locations:

(1) In gas, electric, telephone, sewer, and water system manholes;

(2) At cracks in pavement and sidewalks; and

(3) At other locations providing an opportunity for finding gas leaks.

(g) A leakage survey of the distribution system mains outside of the business districts shall be made at least once each year during the period from March 1 to December 1.

(h) A gas detector survey shall be conducted each year in business districts during the period January 1 to March 1.

(i) A gas detector survey must be conducted each year in the cast iron distribution system outside of the principal business areas during the period January 1 to March 1.

(j) A utility shall conduct a gas detector survey both in and outside of the principal business areas, as referred to in (g) and (h) above, in the following manner:

(1) The utility shall use a mobile flame ionization unit; and

(2) The utility shall conduct the survey to detect class I and class II leaks as defined in (q) below.

(k) A gas detector survey of buildings used for public assembly, including schools, churches, hospitals, theaters, municipal buildings and downtown areas shall be conducted each year during the period March 1 to December 1.

(l) In completing a gas detector survey of buildings used for public assembly, as referred to in (j) above, a utility shall:

(1) Test areas around service entrances, inside the foundation wall, at conduit or cable entrances below grade and at cracks or breaks in the foundation wall where gas seepage might enter the basement; and

(2) Test exposed piping from the service entrance to the outlet side of the meter.

(m) Mains in places or on structures where anticipated physical movement or external loading could cause failure or leakage shall be inspected at intervals not exceeding 4 1/2 months, but at least 4 times each calendar year.

(n) Each utility shall follow procedures for classification and control of flammable gas leaks contained in The American Gas Association "GPTC Guide for Gas Transmission and Distribution Piping Systems 1990-1991", 1990 edition, Volume One, Guide Material Appendix G-11, Tables 3a, 3b and 3c.

(o) If, when investigating a leak, it is determined that the perimeter of a leak area extends to a building wall, the investigation shall continue into the building unless public safety or identifiable exigent circumstances prohibit entry.

(p) Once public safety or identifiable exigent circumstances no longer prohibit entry, the investigation, as provided in (o) above, shall continue into the building, if the leak has not yet been resolved.

(q) The utility shall establish a leak repair priority based on its evaluation of the location and the magnitude of a leak.

(r) A utility shall assign a classification of leaks as follows:

(1) Class I shall be a leak that represents an existing or probable hazard to persons or property, and requires immediate repair within 24 hours or continuous action until the conditions are no longer hazardous;

(2) Class II shall be a leak that is recognized as being non-hazardous at the time of detection, but requires scheduled repair within 6 months or before the end of the calendar year based on probable future hazard; and

(3) Class III shall be a leak that is non-hazardous at the time of detection and can be reasonably expected to remain non-hazardous.

(s) In making a determination as to whether to classify a leak as Class I, II or III, a utility shall comply with the guidelines and examples for leak classification and leakage control provided in tables 3a, 3b and 3c of the "GPTC Guide for Gas Transmission and Distribution Piping Systems", referred to in (n) above.

(t) A utility shall conduct a follow-up inspection as follows:

(1) The adequacy of leak repairs shall be checked before backfilling;

(2) The perimeter of the leak area shall be checked with a combustible gas indicator (CGI); and

(3) Where there is residual gas in the ground after the repair of a Class I leak, the utility shall conduct a follow-up inspection as soon as practical after allowing the soil atmosphere to vent and stabilize, but in no case later than 1 month following the repair.

(u) In the case of leak repairs other than Class I, the need for a follow-up inspection shall be determined by qualified personnel of the utility.

(v) When a leak is re-evaluated, the utility shall classify it using the same criteria as when the leak was first discovered.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 508.05 Leakage Record-keeping and Reporting.

(a) Each utility shall maintain records and follow self-audit procedures regarding gas leaks and leakage surveys as follows:

(1) A utility shall preserve historical gas leak records according to Puc 507.05(a) and Puc 507.07(b);

(2) In order to demonstrate the adequacy of company maintenance programs, a utility shall maintain sufficient data to provide the information needed to complete the federal Department of Transportation leak report forms as follows:

a. Form RSPA F 7100.1, "Incident Report-Gas Distribution System";

b. Form RSPA F 7100.1-1, "Annual Report For Calendar Year 19__ Gas Distribution System";

c. Form RSPA F 7100.2, "Incident Report-Gas Transmission and Gathering Systems"; and

d. Form RSPA F 7100.2-1, "Annual Report For Calendar year 19__ Gas Transmission & Gathering Systems"; and

(3) The utility shall maintain records for leaks which are reported by an outside source or require reporting to a regulatory agency.

(b) The leak records as required in (a) above shall not be required to be maintained in any specific format or retained at one location.

(c) The leak records as required in (a) above shall include the following:

(1) Date discovered, time reported, time dispatched, time investigated and by whom;

(2) Date(s) re-evaluated before repair and by whom;

(3) Date repaired, time repaired and by whom;

(4) Date(s) rechecked after repair and by whom;

(5) If a reportable leak, date and time of telephone report to regulatory authority and by whom;

(6) Location of leak;

(7) Leak classification;

(8) Line use, including distribution and transmission;

(9) Method of leak detection including name and address if reported by an outside party; and

(10) A description of any environmental impact, if applicable.

(d) A utility shall report to the commission leaks occurring in its gas distribution system as follows:

- (1) Emergency notification, pursuant to Puc 504.05(a)(1); and
- (2) Report on status of leaks, pursuant to Puc 509.17.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

PART Puc 509 FORMS REQUIRED TO BE FILED BY ALL UTILITIES

Puc 509.01 F-1C - Quarterly Statement of Operations.

(a) Any utility which does not file a statement of operations with the commission on a monthly basis shall file form F-1C on a quarterly basis.

(b) Utilities shall include in form F-1C:

- (1) A statement of operation taking operating revenues, subtracting all expenses leaving the net income;
- (2) A reconciliation of retained earnings composed of balance at the beginning period and balance at end of period; and
- (3) A balance sheet listing the assets and liabilities with a final result of total capital and liabilities.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 509.02 F-2 Disposition of Proceeds from Sale of Securities.

(a) Any utility which has securities outstanding shall annually file form F-2 with the commission.

(b) Utilities shall include on Form F-2 a detailed account showing:

- (1) The sale of securities and the disposition of the proceeds, if any;
- (2) The period encompassed by the report;
- (3) The docket case and order number authorizing said sale; and
- (4) A detail of receipts for securities sold during this period which shall include the following:
 - a. Date;
 - b. Name of purchaser;
 - c. Par value amount;
 - d. Discount or premium percentage;
 - e. Proceeds amount;
 - f. Balance of proceeds undisposed at the beginning of the period covered;
 - g. Total proceeds to account for; and
 - h. The certification statement described in (c) below.

(c) Utilities shall include on form F-2 a statement executed by an authorized official of the utility which provides as follows:

"None of the proceeds have been applied to purposes not properly chargeable to the property accounts, nor to any purpose not authorized in said order. The statements and contents of the foregoing are accurate and true, to the best of my knowledge, information and belief."

(d) The certification statement contained in (c) above shall be:

(1) Signed and sworn to under oath by the utility by its president or other chief officer or treasurer or other officer in charge of accounts.

(2) Notarized by a notary official in conformance with New Hampshire law; and

(3) Dated.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 509.03 F-3 Statement of Pro Forma Income Statement at Present and Proposed Rates for Year Ended.

(a) Each utility which requests a rate increase shall file form F-3 with the commission.

(b) Utilities shall include on form F-3 a breakdown of operating revenues and expenses for:

(1) Actual year ended;

(2) Adjustments and pro forma at present rates;

(3) Adjustments and pro forma at proposed rates with additional requirements; and

(4) Total requirements.

(c) Utilities shall include on form F-3 a calculation of rate base and calculation of rate of return.

(d) Each utility requesting a rate increase shall also comply with the requirements of Puc 1600, tariffs and special contracts.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 509.04 F-4 Petition For Authority To Issue Securities.

(a) Each utility shall file form F-4 with the commission when it seeks authority to issue securities.

(b) Each utility shall include on form F-4 the following:

(1) A petition which shall include:

a. A caption;

- b. Description of authorized and outstanding long term debt and capital stock;
- c. Amount of short term notes outstanding;
- d. Description of new securities;
- e. Description of what proceeds will be used for;
- f. List of exhibits attached;
- g. Certification statement as contained in (d) below; and
- h. Petitioner's prayer asking for the relief requested;

(2) Application for leave to issue securities pursuant to RSA 369:3 including a statement in reasonable detail of any proposed additions, construction or working capital requirements together with any proposed construction budget;

(3) Exhibit 2, showing the estimated cost of financing including, for example, legal costs, printing, documentary tax, trustee services, financial services;

(4) Exhibit 3, current balance sheet adjusted for financing with journal entries and explanations for actual, adjustments and as adjusted;

(5) Exhibit 4, current income statement adjusted for financing including new interest, depreciation and taxes with entries for actual, adjustments and as adjusted;

(6) Exhibit 5, statement of capitalization ratios after giving effect to the proposed financing;

(7) Exhibit 6, copy of the purchase and sale agreement for long term financing including any letter of commitment from a lender stating details of financing;

(8) Exhibit 7, copy of the mortgage indenture;

(9) Exhibit 8, copy of terms of new common or preferred stock;

(10) Resolution of petitioner's stockholders, board of directors or other governing body of petitioner, as appropriate, authorizing the proposed financing; and

(11) An original and 7 copies of the petition and exhibits.

(c) By submitting or signing a Form F-4 petition, the persons submitting the form shall agree to comply with the certification requirement as set forth in (d) below.

(d) Each utility shall provide in connection with a petition for authority to issue securities a certification which shall provide as follows:

"The petitioner utility company believes and, therefore, alleges that the securities to be issued will be consistent with the public good and that it is entitled to issue said securities under RSA 369 for the purposes set forth in its petition."

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 509.05 F-16 Annual Report.

(a) Each utility which maintains its books on a calendar year basis shall file a completed "Annual Report" with the commission annually on or before March 31st.

(b) Each utility which maintains its books on a fiscal year which does not coincide with a calendar year shall file a completed "Annual Report" with the commission no later than 90 days following the close of each fiscal year.

(c) Each utility shall include on form F-16 the following:

(1) List of officers, their compensation, residence, and a list of directors with residence, length of term, term expiration, and fees;

(2) Shareholders names and addresses and voting powers including number of votes, number of shares owned and a schedule of payments to individuals;

(3) Balance sheet accounts schedule including assets and other debits and liabilities and other credits including comparison to previous year;

(4) Fixed capital-gas schedule including comparison to previous year;

(5) Management fees and expenses and distribution of accruals or payments and distribution of total charges;

(6) Non-operating property with beginning of year balance and year end balance, property abandoned schedule and land for future development schedule with beginning and year end balances;

(7) Investments in affiliates and miscellaneous investments showing description of investment stock descriptions, cost to respondent, and book value;

(8) Funds schedule showing sinking, miscellaneous, and depreciation funds with notation of additions and withdrawals;

(9) Prepayment schedule with beginning and year end balance and required securities with date acquired, cost and par value;

(10) Schedule of materials and supplies, accounts receivable and receivables from affiliated companies;

(11) Schedule of unamortized debt discount and expenses showing debits and credits during year and a schedule of dividends declared during year;

(12) Capital stock account with stock breakdown and long term debt schedule with the proper breakdown;

(13) Notes payable schedule showing beginning and end of year balance and a schedule of payables to affiliated companies;

(14) Depreciation reserve schedule showing debits and credits and an annual depreciation charge schedule;

(15) Miscellaneous reserves with charges during the year, a

miscellaneous unadjusted credits schedule and a tax schedule;

(16) Income statement including increase or decrease over previous year;

(17) Capital surplus account showing debits and credits during year, earned surplus account and miscellaneous suspense schedule;

(18) Operating revenues, gas, composed of gas service revenue and other gas revenues which includes a schedule or summary of operating gas expenses with the increase or decrease over the previous year;

(19) Operation and maintenance accounts which include amounts by classification and increase or decrease over previous year;

(20) Analysis of sales and new business expenses with a breakdown into appliance sales, job work sales, and new business;

(21) Schedule of donations and gifts and accounts charged to;

(22) Detail of fuel account broken into liquid petroleum-propane and liquid natural gas and a schedule of materials and supplies with beginning and end of year balances;

(23) Summary of gas plant operation monthly in terms, type of gas used and a breakdown of said gas and a schedule of revenue by rates; and

(24) Certification statement as contained in (d) below.

(d) Each utility shall complete and properly execute under oath a certification form as part of its "Annual Report", which provides as follows:

"We, on our oath do severally say that the foregoing return has been prepared under our direction, from the original books, papers and records of said utility, that we have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of said utility, in respect to each and every matter and thing therein set forth to the best of our knowledge, information and belief; and that the accounts and figures contained in the foregoing report embrace all of the financial operations of said utility during the period for which said report is made."

(e) The certification set forth in (d) above shall be subscribed and sworn to under oath by the utility by its president or other chief officer and treasurer or other officer in charge of accounts whose signatures shall be notarized by a notary official in conformance with New Hampshire law.

(f) By submitting or signing the "Annual Report", the person submitting the form, on behalf of themselves and the utility, thereby agree to comply with the certification statement set forth in (d) above.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 509.06 F-8G Monthly Income Statement.

(a) Each utility shall annually file form F-8G, which involves analysis of gas operating revenues, with the commission within 4 months of the close of its fiscal year.

(b) Utilities shall include on form F-8G the following:

- (1) Monthly income statement showing current month, cumulative this year, same month last year and cumulative last year;
- (2) Gas generation report showing coal gas generated, water gas generated, other gas generated and totals;
- (3) Analysis of operating revenues which requires a breakdown of revenue earned showing this month, cumulative this month, same month last year and cumulative last year; and
- (4) Gas sold with a breakdown and comparisons to previous years.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 509.07 Form F-22 Information Sheet.

- (a) Each utility shall file Form F-22:
 - (1) Annually; and
 - (2) Whenever any changes occur to the information included in the Form F-22 filing.
- (b) Each utility shall include the following on form F-22:
 - (1) Name of utility;
 - (2) Person's name and address to receive annual report form;
 - (3) Person's name and address to receive the utility assessment tax; and
 - (4) The names and titles of the principal officers of the company.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 509.08 E-5 Utility Accident Report.

- (a) Each utility shall file a "NHPUC Accident Form" within 10 working days of when a utility accident, as described in Puc 508.03(b), occurs.
- (b) Each utility shall include the following on form E-5:
 - (1) Report number, date and name and address of utility;
 - (2) Date and location of accident;
 - (3) Description of person injured including:
 - a. Name;
 - b. Age;
 - c. Residence;
 - d. Employer; and
 - e. Status of injured person, whether employee, person under contract, invitee, licensee, trespasser or other;

- (4) Description of injury, current condition, duration of disability and, if applicable, anticipated return to work date;
- (5) Description of cause and manner of accident;
- (6) If applicable, cause of death, previous accident report number;
- (7) Designation of federal or state statute violated, if applicable;
- (8) Recommendation for and steps taken to guard against repetition of accident; and
- (9) Signature and title of signatory.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 509.09 E-6 Heating Value and Purity Report.

- (a) Each utility shall file with the commission a completed Form E-6 monthly.
- (b) Utilities shall include on form E-6:
 - (1) The name of the company;
 - (2) The month average in british thermal units (BTU's) with a breakdown for each day of the month of the time;
 - (3) BTU per cubic foot;
 - (4) Hydrogen sulphide;
 - (5) Sulphur; and
 - (6) General remarks.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 509.10 Form E-7 Annual Report of Gas Meter Tests.

- (a) Form E-7 shall be filed annually with the commission.
- (b) Utilities shall include the following on form E-7:
 - (1) Name of company and year;
 - (2) Number of meters tested categorized as follows:
 - a. By those in a 10 year test period, of 250 cubic feet or less;
 - b. By those in a 4 year test period, of over 250 cubic feet or more; and
 - c. As to maximum flow test differential, the numbers within certain accuracy categories, as follows:
 1. The numbers of those within one percent of the category limits; and

2. The numbers of those exceeding one percent of the category limits; and

(3) Total meters in service at end of year and total meters tested during year.

(c) The accuracy categories referred to in clause c above shall include categories for non-register; less than 90%; 90% to 96.9%; 97% to 97.9 %; 98% to 98.9%; 99% to 99.9%; 100% to 101%; 101.9% to 102%; 102.1% to 103%; 103.1% to 110%; and totals.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 509.11 E-8 Report of Pressure Complaints.

(a) Form E-8 shall be filed monthly with the commission.

(b) Utilities shall include the following on form E-8:

- (1) Name of complainant and location;
- (2) Date of test;
- (3) Average pressure;
- (4) Pressure recorded in inches of water column showing minimum with time of day and maximum with time of day; and
- (5) Total minutes, below allowable minimum and above allowable maximum.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 509.12 E-20-A - A Report of Changes in Fixed Capital.

(a) Each utility shall file form E-20-A annually with the commission within 4 months of the close of its fiscal year giving notice of any change in fixed capital.

(b) Utilities shall include on form E-20-A the following:

- (1) The company account number;
- (2) District;
- (3) Unit description by town;
- (4) Quantity and costs to additions; and
- (5) Quantity and costs to retirements.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 509.13 E-22 - Report of Proposed Expenditures for Additions, Extensions and Capital Improvements to Fixed Capital.

(a) An E-22 is a vehicle by which the commission, pursuant to RSA 374:5, obtains information on proposed utility expenditures and as such the

commission shall not be obligated to respond to the proposed E-22 or construction budget.

(b) Investigation of or comment on a construction budget or E-22 by the commission or failure of the staff to identify prudence review issues as described in paragraph (c) below, shall not constitute a final prudence review and the commission shall not be precluded from analyzing the merit of any expenditure in a future rate case.

(c) The commission shall notify a utility when it identifies prudence review issues, which it would raise as part of a rate case, in connection with notice of a proposed expenditure under this section.

(d) Every utility shall report to the commission when the probable cost of any addition, extension or capital improvement to its utility plant will exceed reportable amounts set forth in Table 5.9.1, as follows:

Table 5.9.1 Reportable Amounts by Utility Plant Range

UTILITY PLANT RANGE			REPORTABLE AMOUNT
\$	400,000	and under	\$ 5,000
	400,001	to \$ 1,000,000	10,000
	1,000,001	to 2,000,000	15,000
	2,000,001	to 3,000,000	22,500
	3,000,001	to 50,000,000	30,000
	50,000,001	to 100,000,000	50,000
	100,000,001	and over	100,000

(e) The reportable amount shall be based on the gross fixed capital, as of December 31st of the calendar year immediately preceding, of each stand-alone or satellite system with an independent source of supply.

(f) Companies with more than \$10,000,000 in fixed capital may use the next higher reporting limit for their satellite systems.

(g) The reporting limits shall apply to total project cost including contributions in aid of construction.

(h) For purposes of paragraph (a), filing with the commission shall consist of:

- (1) A completed E-22 form; or
- (2) With written approval of the commission, a construction budget.

(i) The commission shall accept a construction budget in place of individual E-22 forms if the proposed budget meets the following criteria:

- (1) It highlights all projects above the utility's reporting limit;
- (2) It contains a level of detail appropriate to the expenditures anticipated and to identification of potential project-specific issues; and
- (3) It covers a period of no longer than one year.

(j) The commission shall state whether the approval to file construction budgets is for one year or a longer or indefinite period, based on the utility's prior operation and reporting history and projected level of expenditures.

(k) A utility shall file an original and duplicate copy with the commission engineering department as follows:

- (1) An individual E-22 form no fewer than 30 days before starting actual construction or expenditure of funds; or
- (2) A construction budget no fewer than 60 days before starting actual construction or expenditure of funds.

(l) A utility may provide an additional copy of its filing and request that it be date-stamped and returned to confirm filing.

(m) If the cost of a project is anticipated to fall below the applicable reporting limit but later exceeds it, the utility shall immediately file an E-22 form at whatever time or phase of the project it becomes apparent the limit will be exceeded. This requirement shall include projects listed in a construction budget but not highlighted in accordance with paragraph (i)(1).

(n) If a project not included in an approved construction budget arises which will exceed the utility's reporting limit, the utility shall file an E-22 form.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 509.14 E-23 Report of Interruptions of Service.

(a) Each utility shall file Form E-23 monthly with the commission.

(b) Form E-23 shall describe all service interruptions and shall include the following:

- (1) Date of interruption;
- (2) Time of interruption including start, end and total elapsed time;
- (3) Location of interruption;
- (4) Number of customers affected by interruption; and
- (5) Cause of interruption.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 509.15 E-24 Report of Gas Meter Complaint Tests.

(a) Each utility shall file with the commission Form E-24 monthly.

(b) Form E-24 shall include the following:

- (1) Customer's name and address;
- (2) Meter manufacturer; manufacturer's number; company number; type and size;
- (3) Percent registration which are fast or slow; and
- (4) Period, refund and collect.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 509.16 E-25 Report of Proposed Changes in Depreciation Rates.

(a) Each utility shall file Form E-25 when it proposes any change in depreciation rates.

(b) A utility shall include on form E-25:

- (1) Name of the company;
- (2) Date;
- (3) Account number and title;
- (4) Estimated life, both present and proposed, in years;
- (5) Net salvage, both present and proposed, by percentage;
- (6) Depreciation rate, both present and proposed, by percentage;
- (7) Net annual change in dollars; and
- (8) Reasons.

(c) A utility shall not implement any change in depreciation rates until the proposed change has been approved by the commission.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 509.17 Status of Leaks.

(a) Each utility shall submit to the commission a monthly leak report.

(b) Each utility shall provide on the monthly leak report a description of the status of any leak in its system classified by type of leak, as Class I, II or III.

(c) A utility shall identify and describe the status of leaks as follows:

- (1) As of the beginning of each month;
- (2) Those reported during the month; and
- (3) Those repaired during the month.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 509.18 Annual Peak Shaving Fuel Storage Capability Report.

(a) Each utility shall file with the commission once annually a peak-shaving fuel storage capability report.

(b) This report shall be submitted by October 1 of each year and shall include projected design-week send-outs, production capabilities and storage requirements of utility gas operations, including the following:

- (1) Maximum projected design-week demand;
- (2) Amount to be furnished by natural gas pipeline;

- (3) Balance from peak shaving;
- (4) Equivalent gallons LNG and/or LPG to LPG/LNG to satisfy requirements of (3) above;
- (5) Total storage facilities committed, in gallons, to service on December 1 of the current year to LPG and LNG, which shall be categorized as follows:
 - a. Permanent;
 - b. Railroad truckers;
 - c. Truck tankers;
 - d. Other storage, specifying type; and
 - e. Total storage;
- (6) Whether the facility meets storage requirements;
- (7) Comments relative to suppliers delivery capabilities during the current winter; and
- (8) A statement that the utility shall immediately advise the commission of any unexpected circumstances which may arise surrounding its peak shaving capabilities.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 509.19 Weekly Gas Storage Report.

(a) Each utility shall submit to the commission safety division weekly reports on gas storage level during the period December 1 through April 1 on Monday of each week, or the day following if Monday is a state holiday, before 4:00 p.m..

(b) The utility may by telephone or in-person verbally report information on storage levels.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

PART Puc 510 UTILITY ADVERTISING

Puc 510.01 Definitions.

(a) "Advertising" means the use by a utility of any media in order to transmit a message to the general public, or to such utility's consumers.

(b) "Controversial issue of public importance" means a case or controversy in which a utility is involved before a court, legislative body, or government agency, including the commission.

(c) "Institutional activity" means any act or practice conducted for the purpose of promoting the corporate image or goodwill of a particular utility or the utility industry in general.

(d) "Institutional advertising" means any advertising conducted for the purpose of promoting the corporate image or goodwill of a particular utility

or the utility industry in general.

(e) "Least cost integrated resource plan (LCIP)" means, in the case of a utility, planning by the use of any standard, regulation, practice or policy to undertake a systematic comparison between demand-side management measures and the supply of gas by a utility to minimize life-cycle costs of adequate and reliable utility services to gas customers.

(f) "Political activity" means any act or practice conducted for the purpose of influencing public opinion with respect to legislative, administrative or electoral matters or with respect to any controversial issue of public importance.

(g) "Political advertising" means any advertising conducted for the purpose of influencing public opinion with respect to legislative, administrative, or electoral matters, or with respect to any controversial issue of public importance.

(h) "Promotional activity" means any act or practice conducted for the purpose of encouraging any person to select or use a service or increase usage of the service of a utility, to select, purchase, install or use any appliance or equipment designed to use such utility's service, or to use any other particular service of the utility.

(i) "Promotional advertising" means any advertising conducted for the purpose of encouraging any person to select or use a service or increase usage of the service of a utility, to select, purchase, install, or use any appliance or equipment designed to use such utility's service or to use any other particular service of the utility.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 510.02 Recovery of Certain Expenses Prohibited. No utility shall recover, in any manner, from any person other than the shareholders or other owners of such utility any direct or indirect expenditure by such utility for promotional, political or institutional advertising, or promotional, political or institutional activities except as provided in Puc 510.03 and Puc 510.07.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 510.03 Exempted Expenditures.

(a) For the purpose of Puc 500 the terms political advertising, promotional advertising, institutional advertising, political activity, promotional activity, and institutional activity do not include advertising or activities which:

- (1) Inform gas consumers of or provide gas consumers with information or materials intended to result in economic conservation;
- (2) Are required by law or regulation, including advertising required under part 1 of title II of the National Energy Conservation Policy Act;
- (3) Inform natural gas customers how they can improve efficiency in utilizing the utility's service;
- (4) Involve or relate to service interruptions, safety measures or emergency conditions;

- (5) Concern employment opportunities with such utility;
- (6) Provide any explanation of existing or proposed rate schedules or notifications of hearings thereon;
- (7) Are consistent with the utility's approved least cost integrated resource plan; and
- (8) Inform customers of the availability and sources of financial assistance.

(b) Expenditures referred to in subparagraph (a)(1) above shall be subject to review and potential recovery as part of the utility's conservation and load management program.

(c) Expenses contained in a utility's LCIP shall take into account necessary features for system operation such as diversity, reliability, ability to be readily dispatched, and other factors of risk and shall treat demand and supply to gas consumers on a consistent and integrated basis.

(d) No more than 50% of costs provided for in a utility's LCIP shall be borne by ratepayers.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 510.04 Continuing Jurisdiction. Puc 510 shall not restrict or limit the commission's power to disallow any expense as a charge to ratepayers which the commission finds to be unjust, unreasonable, excessive, unwarranted or imprudent pursuant to RSA 378 .

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 510.05 Reports Required.

(a) Each utility shall file an annual report with the commission regarding the advertising or activities described in Puc 510.02.

(b) This report shall itemize the expenses incurred by type of advertising and activity and shall specifically delineate those expenditures for which cost recovery is sought.

(c) The report shall be included with the utility's annual report to the commission filed in accordance with Puc 509.05.

(d) Each utility shall keep copies of all its advertising on file for inspection by the commission.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 510.06 Accounting.

(a) Each utility shall keep a record of all expenditures incurred and any allocation methodology with respect to any advertising or activity, incurred directly or indirectly, referred to in Puc 510.02.

(b) Any advertising or activity referred to in Puc 510.02 shall bear its allocative portion of all expenses incurred. For example, the cost of a bill insert might not increase total postage expenses; however, if the nature of

the material is such that it is promotional, institutional or political, a portion of the postage expense shall be allocated to that advertising activity.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

PART Puc 511 ENFORCEMENT PROCEDURES FOR GAS PIPELINE UTILITIES

Puc 511.01 Jurisdiction Scope and Application of Authority.

(a) Pursuant to RSA 370:2 the commission shall enforce safety standards and practices for utilities, referred to in Puc 506.01, consistent with the Natural Gas Pipeline Safety Act which is set forth at 49 U.S.C. § 60101, et seq.

(b) In enforcing safety standards and practices the commission shall consider:

- (1) Pipeline safety data;
- (2) The appropriateness and reasonableness of a safety standard applied to a particular incident or circumstances; and
- (3) Other relevant information regarding the particular circumstances of an incident.

(c) The commission in exercising and implementing its inspection and enforcement authority pursuant to Puc 511 shall generally act by and through the safety division of its engineering department.

(d) Pursuant to RSA 365:8 and 370:2, and consistent with the Natural Gas Pipeline Safety Act, the commission shall:

- (1) Investigate all methods and practices of utilities relating to pipeline safety;
- (2) Require the maintenance and filing of reports, records and other information relating to pipeline safety in such form and detail as the commission shall prescribe;
- (3) Enter at all reasonable times to inspect the property, building, plants and offices of utilities to investigate and determine compliance with pipeline safety requirements; and
- (4) Inspect all books, records, papers and documents relevant to the pipeline safety.

(e) Each utility shall cooperate fully with the commission and its staff in its investigations and inspections pursuant to Puc 511, including maintaining and providing all relevant information and data and providing such access as the commission shall require.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 511.02 Intervals of Inspection.

(a) Each utility shall allow the commission staff, upon presentation of identifying credentials, to enter upon, inspect and examine the records and properties of persons to the extent such records and properties are relevant

to determining the compliance of such persons with commission rules or orders.

(b) Each utility shall permit the commission to conduct inspections in response to or related to any of the following:

- (1) Routine scheduling;
- (2) A complaint received from a member of the public or any party;
- (3) Information obtained from a previous inspection;
- (4) Pipeline accident or incident; and
- (5) Whenever scheduled by the commission.

(c) The commission shall conduct inspections on differing classifications of utility pipeline facilities according to the following schedule:

- (1) On intrastate utilities, comprehensive inspections every 2 1/2 to 3 years on each gas distribution inspection unit;
- (2) On LNG utility facilities, an inspection every year and a comprehensive inspections every 3 years; and
- (3) On master meter systems, an inspection every year and a comprehensive inspection every 3 years.

(d) In addition to the specialized inspection schedule referred to in (b) above, the commission shall schedule and conduct additional inspections if:

- (1) Results obtained in an initial inspection show a defect, irregularity or non-compliance which establishes the need for a subsequent or follow-up inspection; or
- (2) The commission determines that additional inspections are required to provide sufficient information to allow it to determine utility compliance with commission rules and orders.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 511.03 Inspection of Utilities.

(a) The commission shall inspect every utility, with priority given to inspecting systems with greater risk potential.

(b) In determining the potential risk of a pipeline system, the following factors shall be considered:

- (1) The ratio of total steel pipe to coated steel pipe;
- (2) The ratio of total steel pipe to cathodically protected steel pipe;
- (3) Leaks per mile of line;
- (4) Leaks per number of services;
- (5) Unaccounted-for gas volumes and percentage; and
- (6) Number of accidents or incidents.

(c) The inspection shall include a thorough review of the utility's records concerning inspection, operation, maintenance, and emergency procedures.

(d) Field inspections shall include:

- (1) Operational checks of corrosion control provisions;
- (2) Overpressure and regulating equipment;
- (3) Odorization;
- (4) Repaired leaks;
- (5) Emergency valves; and
- (6) Any other components of the facility.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 511.04 Verbal Notice to Utility of Probable Violation.

(a) When an evaluation of a utility's records and facilities indicates that the utility is apparently not in compliance with a pipeline safety regulation, the commission investigator will informally discuss the probable violation or noncompliance with the utility before concluding his inspection.

(b) The utility shall provide any documentation or physical evidence related to the alleged non-compliance which the commission representative shall request during the inspection or by letter.

(c) The utility may notify the commission staff and undertake on-site corrective action of the facility where the probable violation exists thus correcting the violation.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 511.05 Written Formal Notice of Probable Violation.

(a) After evidence of a possible violation is collected and the violation report written, the commission shall provide a letter notifying the utility of the results of the on-site evaluation and specifically citing the gas pipeline safety rule the utility is apparently violating.

(b) The operator shall respond in writing to the commission within 30 days of its receipt of the violation notice referred to in (a) above.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 511.06 Response Options Open to Utility.

(a) Alternatives open to the utility in responding to the violation notice shall be as follows:

- (1) Submit a written plan of action to the commission outlining action that it will take to correct the violations, including a schedule and the date when compliance is anticipated; or

(2) Request an information conference with the commission.

(b) The commission shall, if it so determines, after notice and hearing, order a utility to take corrective action.

(c) Failure to obey such an order can result in any of the following:

(1) Penalties under RSA 365; and/or

(2) Action by the attorney general in accordance with RSA 374:41.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 511.07 Informal Conference in Response to Puc 511.07.

(a) After receiving the request for the informal conference, the commission staff shall arrange a date and time.

(b) At the conference the basis for the violation(s) shall be reviewed. The utility may explain its position and may present alternatives for solution of the problem.

(c) If the utility and the commission staff cannot by agreement resolve the violation at this stage, the enforcement procedure will continue as described in Puc 511.09.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 511.08 Commission Action. If the commission staff and the utility are unable to resolve an issue, the problem shall be referred to the commission for issuance of a notice to show cause or other action.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97

Puc 511.09 Civil Penalty. Any civil penalty imposed by the commission shall be based on the following:

(a) Size of the business of the utility;

(b) Gravity of violation;

(c) Good faith exercised by the utility in attempting to achieve compliance;

(d) Degree of culpability of the utility;

(e) History of prior violations;

(f) Effect of the penalty on the utility; and

(g) Any other identifiable factors related to the circumstances of the utility and the nature and circumstances of the violation.

Source. (See Revision Note at Chapter heading for Puc 500) #6445, eff 1-28-97